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MEMORANDUM TO:

FROM:

SUBJECT:

Staff Planning Project No. 26 (South Asia)

The character of developments in South Asia during the next two years will depend largely on the turn taken by the Kashmir dispute. At present, it appears most likely that some sort of modus vivendi if not a full-scale settlement will emerge within the next two years. The tension being generated over India's Kashmir Constituent Assembly scheme motivates against a continuation of the old stalemate. At the same time, the chances appear to be slightly better than even that war will be avoided.

On this basis, the situation in South Asia will probably be more favorable to US security interests in 1953 than it is at present. There will probably be no significant change in the international position of the two smaller countries of the area; Afghanistan will probably continue to maintain the placatory attitude toward the USSR which its exposed position demands, and Ceylon will probably remain largely passive in its pro-Westernism. Pakistan, however, is likely to give more positive expression to its pro-Western leaning than it has thus far and might even provide the West with bases and troops for the defense of the Middle East if a sufficiently lasting resolution of the Kashmir dispute emerges. India, though unlikely to abandon its official policy of neutralism, will probably become slightly more cooperative with the US and more suspicious of the Chinese Communists; should a serious Chinese Communist threat to Birma materialize, India would probably contribute to Burma's defense. In all four countries, the trend toward a weakening of the

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position of the present ruling groups will continue, but no serious subversive threat is likely to emerge by 1953, even in the case of India.

Should some easing of the tension over Kashmir fail to develop, the situation would be markedly different from the U S viewpoint. Continuation of the present friction between India and Pakistan would probably deter Pakistan from making any genuine contribution to Western mutual defense programs. Should India and Pakistan go to war over Kashmir, all bets would be off. The ultimate danger is that the physical damage, economic stress, and communal disorders likely to be generated by a war would leave both India and Pakistan prostrate and unable to defend themselves against Communist subversion and/or aggression. At the very least, such a war would probably have an effect similar to that of the Palestine war: the Western powers, attempting to be peacemakers, would find themselves hated by both sides, while Moslem-Hindu bitterness would be reinvigorated. Even if India, the stronger power, managed to swallow up Pakistan, it would be torn by internal communal tension.